

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE**

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December 26, 2019

**MEMORANDUM FOR:** Potential Applicants and Other Interested Stakeholders

**FROM:** Jennifer Seeger, Acting Deputy Director  
Division of Financial Assistance

**SUBJECT:** **Joe Serna, Jr. Farmworker Housing Grant Program  
Notice of Guidelines**

A handwritten signature in blue ink that reads "J Seeger". The signature is written in a cursive style and is positioned to the right of the "FROM:" field.

The California Department of Housing and Community Development (Department) is issuing a notice of Joe Serna Jr. Farmworker Housing Grant Program (Program) guidelines.

Senate Bill 3 (SB 3), Statutes 2017, Chapter 365, Section 3, adopted by voters on November 6, 2018 (Proposition 1), provides additional funding and authority for the Program. Health and Safety Code (HSC) Section 54014 gave the Department authority to implement this Program by utilizing guidelines. Pursuant to Subdivision (b) of Section 54014, those guidelines are not subject to the requirements of Government Code Part 1, Division 3, Title 2, Chapter 3.5 (commencing with Section 11340). SB 2 Statutes 2017, Chapter 364, Section 4 provides funding to address affordable homeownership and rental housing opportunities for agricultural workers and their families. HSC Section 50470(d) gives the Department authority to establish guidelines for the implementation of these funds.

Pursuant to Assembly Bill 1 Statutes 2019, Chapter 159, signed into law on July 31, 2019, the matching share requirement of California Code of Regulations, Title 25, Section 7208(a) is no longer required.

For the purposes of this Notice of Funding Availability (NOFA), and any subsequent amendments thereto, the existing Farmworker Housing Grant Program regulations and statutes and Multifamily Housing Program guidelines described below shall constitute the guidelines applicable to funding released hereunder.

By this executive action, the Department is adopting the following statutes, regulations, and guidelines provided below that establish Program guidelines for the 2019 Program NOFA.

- State Program Statutes: [HSC Section 50517.5](#) et. seq.
- State Program Regulations: [California Code of Regulations \(CCR\), Title 25, Division 1, Chapter 7, Subchapter 3, Article 1:](#)
  - Section 7200. Purpose and Scope.
  - Section 7201. Uniform Multifamily Underwriting and Program Rules except as amended by the Section 7305 and 7313 of the Multifamily Housing Program guidelines.
  - Section 7202. Definitions.
  - Section 7204. Project Eligibility Requirements.
  - Section 7205 (a) and (b). Applicant Eligibility Requirements.
  - Section 7205.1 and 7205.2. Limited Partnership and Nonprofit Corporation Eligibility Requirements.
  - Section 7206 (a), (b), and (c). Eligible Activities.
  - Section 7207. Site Control Requirements.
  - Section 7208 (b), (c), (d), and (e). General Requirements.
  - Section 7209. Minimum Number of Assisted Units and Affordability.
  - Section 7209.5. Eligible Expenditures.
  - Section 7210. Site and Design Criteria.
  - Section 7211. Loan Terms and Requirements.
  - Section 7215. (b), (c), and (d). Application Process.
  - Section 7217. Contents of Applications.
  - Section 7220. Grant or Loan Cancellation.
  - Section 7222. Environmental Clearances.
  - Section 7224 (c) and (d). Coordination with Federal Agencies.
  - Section 7225. Standard Agreement.
  - Section 7226. Standard Agreement.
  - Section 7228. Conveyance of the Housing Development.
  - Section 7230. Subordination.
  - Section 7231. Regulatory Agreement.
  - Section 7232. Disbursements.
  - Section 7234. Operation of Rental Housing Developments.
  - Section 7236. Termination of Standard Agreement.
  - Section 7238. Disposition of Recaptured Grant Funds.
- [June 19, 2019 Multifamily Housing Program \(“MHP”\) Guidelines:](#)
  - Section 7301 Definitions, unless in conflict with definitions in Section 7202 of the Serna Program Regulations.
  - Section 7302 (h)(1) and (2). Eligible Project.
  - Section 7305(b). Cost Limitations.
  - Section 7307(b)(1)-(2). Maximum Loan Amounts except for the initial base amounts described below.
  - Section 7308. Interest Rate and Loan Repayments.
  - Section 7312. Rent Standards except for the provision that rent limits shall be based on income limits up to 80 percent of Area Median Income (AMI) instead of 60 percent of AMI.
  - Section 7313 (a)(1). Use of Operating Income.

- Maximum Assistance per Assisted Unit: For Rental Housing Developments, the initial base amount shall be \$95,000 per Assisted unit utilizing 9 percent tax credits, \$175,000 per Assisted unit utilizing 4 percent tax credits, or no tax credits in a new construction project located in a “High Resource” or “Highest Resource” area on the TCAC/HCD Opportunity Map and \$150,000 per other Assisted unit utilizing 4 percent tax credits or no tax credits.
  - For a single-family new construction project, the grant amount is limited to \$150,000 per Assisted unit.
  - For owner occupied rehabilitation, the grant amount is limited to \$75,000 per Assisted unit.

Any questions may be directed to Jennifer Seeger, Acting Deputy Director, Division of Financial Assistance, at (916) 263-2771 or [Jennifer.Seeger@hcd.ca.gov](mailto:Jennifer.Seeger@hcd.ca.gov).

WHEREAS the Department is authorized to adopt, promulgate, amend, repeal, and administer standards, requirements, procedures, and guidelines (collectively, Program Guidelines) for financial assistance offered pursuant to Department housing finance programs by means of NOFAs for the following programs:

**Joe Serna, Jr. Farmworker Housing Grant Program**

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Douglas R. McCauley, Acting Director  
Department of Housing and Community Development

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Date